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**NEW JERSEY GRAND JUROR WHO LEAKED DETAILS OF
BRISTOL-MYERS INVESTIGATION PLEADS GUILTY
TO INSIDER TRADING AND CONTEMPT CHARGES**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York announced today that JASON SMITH, a New Jersey postal worker, pleaded guilty in Manhattan federal court to insider trading, conspiracy, and contempt charges. The charges against SMITH arose from his leaking of secret grand jury information to an international insider trading network led by Eugene Plotkin, a former Associate at Goldman Sachs & Co., and David Pajcin, another former Goldman Sachs employee.

At today's proceeding before U.S. Magistrate Judge ANDREW J. PECK, SMITH pleaded guilty to a two-count Information charging him with insider trading and conspiracy (the New York Information), as well as to a separate one-count Information, initially filed in New Jersey (the New Jersey Information), charging him with criminal contempt. During the proceeding, SMITH admitted that he leaked confidential information concerning the progress of a New Jersey federal grand jury's investigation of accounting fraud at Bristol-Myers Squibb Company. SMITH admitted that he leaked that information to Eugene Plotkin and David Pajcin knowing that they planned to trade Bristol-Myers securities based on what they learned from SMITH. The Informations charge that Pajcin and Plotkin, after receiving tips from SMITH concerning the progress of the grand jury's investigation, traded and tipped others to trade in Bristol-Meyers securities, betting that the stock price would decline once the outcome of the grand jury's investigation was announced.

SMITH also admitted that he committed criminal contempt by violating the federal grand jury secrecy laws. The contempt charge was initially brought in New Jersey where the grand jury was located, but was transferred by agreement to the Southern

District of New York, where the insider trading and conspiracy charges had been filed.

As detailed in the New York Information, Eugene Plotkin and David Pajcin were at the center of a multi-faceted scheme to unlawfully trade on inside information from a number of sources, including: (1) Stanislav Shpigelman, an analyst at Merrill Lynch who provided information concerning numerous Merrill Lynch corporate deals; (2) Nickolaus Shuster and Juan Renteria, two employees of a Wisconsin printing plant who stole advance copies of Business Week magazine and provided inside information from the magazine's "Inside Wall Street" column; and (3) SMITH, who provided information about the Bristol-Myers grand jury investigation.

SHPIGELMAN pleaded guilty to insider trading on July 14, 2006, and is awaiting sentencing. Plotkin, Shuster, and Renteria are awaiting trial.

According to the New York Information, SMITH, while serving as a grand juror, provided Plotkin and Pajcin with material, non-public information relating to the then-ongoing grand jury investigation of Bristol-Myers Squibb Company (BMS). In particular, SMITH served as a grand juror on a New Jersey grand jury that was investigating accounting fraud allegations against BMS and several BMS executives. He had been informed of his legal obligation not to reveal to anyone any matter occurring before the grand jury. Through his service on that grand jury, SMITH learned confidential information about the investigation and passed that information on to Pajcin and Plotkin in exchange for a promise of payment of a portion of any profits made as a result of SMITH's information.

As further detailed in the New York Information, Pajcin, based on the information provided by SMITH, executed short sales of BMS stock, anticipating that a certain high-level BMS executive (the BMS Officer) would be indicted. When SMITH later informed Pajcin that the BMS Officer would not be indicted, Pajcin closed out the short position on BMS stock based on that information. Plotkin and Pajcin also tipped other individuals, including a Plotkin family member, to similarly trade in BMS stock based on Smith's information.

According to the New York Information, in the Spring of 2005, SMITH informed Pajcin that the BMS Officer had testified in the grand jury on multiple occasions, and SMITH described some of the testimony. In March of 2005, Pajcin then executed short sales of BMS stock.

Subsequently, in June 2005, SMITH informed Plotkin and Pajcin that the grand jury would likely be issuing indictments at their next meeting. SMITH also informed them that there had been a press report indicating that the BMS Officer would not be indicted, but that the prosecutors had advised the grand jury members to ignore what they read in the papers, and SMITH believed the BMS Officer would still be indicted. On the basis of this information, Pajcin along with other individuals tipped by Pajcin and Plotkin then executed short sales of BMS stock prior to the scheduled grand jury session.

On the day that the grand jury was scheduled to issue indictments, SMITH informed Plotkin and Pajcin that the grand jury was not going to indict the BMS Officer, according to the New York Information. Based on this information, Pajcin closed out his short position in BMS, and, along with Plotkin, tipped others to do the same.

The New York Information also charges that SMITH participated in Plotkin's and Pajcin's other attempts to gain inside information and trade on that information, including the scheme to trade on Merrill Lynch deal information from Shpigelman and the scheme to trade on information from pre-publication copies of Business Week.

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SMITH, 30, resides in Jersey City, New Jersey.

As a result of the insider trading and conspiracy charges to which SMITH pleaded guilty, he faces a maximum penalty of 25 years in prison. The contempt charge has no maximum penalty.

Mr. GARCIA, a member of the President's Corporate Fraud Task Force, praised the efforts of the FBI and the SEC for their handling of this investigation. Mr. GARCIA also thanked CHRISTOPHER J. CHRISTIE, the United States Attorney for the District of New Jersey, for the assistance provided by Mr. CHRISTIE and his Office.

Assistant United States Attorney BENJAMIN M. LAWSKY is in charge of the prosecution.

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